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December 11, 2023

VIA ECF AND E-MAIL

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The Honorable Martin Glenn
Chief United States Bankruptcy Judge
Southern District of New York
One Bowling Green
New York, NY 10004-1408

Re: In re: Celsius Network LLC, et al. Case No. 22-10964 (MG) (Bankr. S.D.N.Y.)

Dear Chief Judge Glenn:

I write on behalf of Blockchain Recovery Investment Consortium (“BRIC”), the Backup Plan Sponsor under the Confirmation Order entered in the above-captioned matter to request a conference with the Court to hear a discovery dispute between BRIC and the Unsecured Creditors Committee (the “UCC”) regarding the UCC’s refusal to produce *any* of its Committee members in their individual capacity for deposition, notwithstanding that the UCC itself is a movant on the *Joint Motion Of The Debtors And The Committee For Entry Of An Order (I) Approving The Implementation Of The MiningCo Transaction And (II) Granting Related Relief* [Dkt. No. 4050] (the “Joint Motion”).

BRIC informed the UCC of its intention to depose three of its Committee members—Messrs. Duffy, DiFiore, and Yoon—on December 2, 2023. On December 4, BRIC met and conferred with the Debtors and the UCC to schedule their depositions. Given the deponents’ role in evaluating and endorsing the Joint Motion proposal, in they undoubtedly possess relevant knowledge regarding the key issues here. Despite BRIC’s explanation of why the UCC deponents are relevant, the UCC categorically refused to produce any of its Committee members without offering any justification. Following the meet-and-confer, on December 2, BRIC served formal deposition notices on the UCC. Hearing no response from the UCC, BRIC followed up on December 6 and requested the UCC to provide its final position by noon on December 7. On the evening of December 7, the UCC summarily rejected BRIC’s deposition demand in one sentence that it “is disproportionate and harassing” and that one 30(b)(6) deponent on behalf of the entire UCC Committee “is sufficient.”

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The individuals were not arbitrarily selected and should be subject to discovery and deposition. Messrs. Duffy and DiFiore have agreed to serve on the board governing the new MiningCo proposed by the Joint Motion, whose proposed MiningCo Transaction is significantly more expensive than the alternative proposed by BRIC. In addition, the UCC's counsel and financial advisor are going to represent the litigation trust which is to be funded with creditor capital—significantly more than the amount proposed by BRIC. In light of this, the deponents have personal knowledge and facts concerning the transaction proposed by the Joint Motion.

Accordingly, BRIC respectfully asks that the Court schedule a conference with the parties at its earliest convenience to order the UCC to make all three witnesses available (on different dates) between December 13 and December 18.¹

Respectfully submitted,

/s/ Benjamin I. Finestone

Benjamin I. Finestone

cc: All Counsel

¹ “Those who serve on a creditors’ committee owe a fiduciary duty to all creditors which they fulfill by advising creditors of their rights and of the proper course of action in the bankruptcy proceeding.” *Matter of REA Holding Corp.*, 8 B.R. 75, 81 (Bankr. S.D.N.Y. 1980) (Galgay, J.) (finding jurisdiction over claims against committee members in view of “the services rendered as committee members, with knowledge of the course of the reorganization”).